

THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION

FINANCIAL STATEMENTS

DECEMBER 31, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/18/03

TABLE OF CONTENTS:

	<u>PAGE</u>
I. Financial Statements:	
A. Accountant's Report	3
B. Statement of Financial Position	4
C. Statement of Activities and Changes in Net Assets.	5
D. Statement of Cash Flows	6
E. Statement of Functional Expenses.	7
F. Notes to Financial Statements	8 - 10
II. Supporting Data (Other Financial Information):	
G. Accountant's Report on Internal Controls	12 - 13
H. Schedule of Findings and Questioned Costs	14
I. Schedule of Resolution Matters	15

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May 19, 2003

The Board of Commissioners
The Greater Shreveport Human Relations Commission
Shreveport, Louisiana

I have audited the accompanying statement of Financial Position of The Greater Shreveport Human Relations Commission, as of December 31, 2002, and the related statements of activities and changes in net assets, statement of functional expenses and the statement of cash flows for the year then ended. These financial statements are the responsibility of The Greater Shreveport Human Relations Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States and with the financial and compliance standards of generally accepted government auditing standards, and Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the preceding paragraph present fairly, in all material respects, the financial position of The Greater Shreveport Human Relations Commission, as of December 31, 2002, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supporting data included in this report (shown on pages 13 through 16) are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued my report dated May 19, 2003, on my consideration of The Greater Shreveport Human Relations Commission's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying financial statements have been prepared assuming the Commission will continue as a going concern. As discussed in Note 3 to the financial statements, The Commission is economically dependent on the funding received from the City of Shreveport, there is substantial doubt regarding the Commission's ability to continue as a going concern. Management is currently working to secure funding in the form of an annual grant from the City of Shreveport. The financial statements do not include any adjustments that result from the outcome of this uncertainty.



VAN T. ENLOE, C.P.A.
72-1210563

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2002**

ASSETS

CURRENT ASSETS

Cash	\$ 2,104
Prepaid Expenses	<u>1,415</u>
Total Current Assets	3,519

FIXED ASSETS – on the basis of cost -

Office Furniture and Equipment	6,964
Computer Equipment	<u>5,897</u>
Total Fixed Assets	12,861
Less: Allowances for Depreciation	<u>12,226</u>
Net Fixed Assets	635

TOTAL ASSETS \$ 4,154

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 919
Accrued Expenses – 403(B)	0
Accrued Payroll Taxes	4,860
Contingencies	<u>0</u>
Total Current Liabilities	5,779

NET ASSETS

Unrestricted Net Assets	(1,625)
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TOTAL LIABILITIES AND NET ASSETS \$ 4,154

The accompanying notes are an integral part of these financial statements.

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2002**

REVENUES

City of Shreveport Contract	\$ 114,000
Grants	0
Interest	441
Other	<u>2,719</u>
Total Revenue	117,160

EXPENSES

Salaries and Wages	66,837
Payroll Taxes and Penalties	10,933
Retirement	5,744
Catering/Decorations	500
Printing and Materials	2,161
Videos and Other	379
Seminar & Conference Fees	2,558
Advertising	770
Awards/Gifts	512
Temporary Labor	10,730
Insurance	3,366
Miscellaneous	388
Dues and Subscriptions	293
Office Supplies and Expense	1,222
Postage	1,827
Accounting	6,750
Travel	1,509
Rent	10,536
Telephone	3,458
Equipment Lease	2,604
Repairs & Maintenance	119
Meeting Costs	329
Depreciation	65
Total Expenses	133,590

CHANGE IN NET ASSETS	\$ (16,426)
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NET ASSETS – BEGINNING OF YEAR	14,801
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NET ASSETS – END OF YEAR **\$ (1.625)**

The accompanying notes are an integral part of these financial statements.

THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2002

CASH FLOWS FROM OPERATING:

Cash received from contract	\$ 114,000
Cash received from fees, sponsorships, and grants	2,719
Interest received	441
Cash paid to suppliers and employees	(128,318)
Net cash provided by (used in) Operations	(11,158)

CASH FLOWS FROM INVESTING ACTIVITIES:

Capital Expenditures	699
Net cash used in (Provided by) investing activities	699

CASH FLOWS FROM FINANCING ACTIVITIES:

Financing	0
Net cash used in (Provided by) financing activities	0
Net increase (decrease) in cash and cash equivalents	(11,857)

CASH AND CASH EQUIVALENTS:

Beginning of Period	13,961
End of period	\$ 2,104

Cash flows from operating activities:

Net Income (Loss)	\$ (16,426)
Adjustments to reconcile net loss to net cash provided by (used in)	
Operating activities:	
Depreciation	65
Decrease in prepaid expenses	202
Increase in accounts payable	141
Increase in accrued expenses	4,860
Net cash provided by (used in) operating activities	\$ (11,158)

The accompanying notes are an integral part of these financial statements.

THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2002

	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUND- RAISING</u>	<u>TOTAL</u>
Salaries and Wages	\$ 0	66,837	0	66,837
Payroll Taxes and Penalties	0	10,933	0	10,933
Retirement	0	5,744	0	5,744
Catering/Decorations	500	0	0	500
Printing and Materials	2,161	0	0	2,161
Videos and Other	379	0	0	379
Seminar & Conference Fees	0	2,558	0	2,558
Advertising	770	0	0	770
Awards/Gifts	512	0	0	512
Temporary Labor	0	10,730	0	10,730
Insurance	0	3,366	0	3,366
Miscellaneous	0	388	0	388
Dues and Subscriptions	0	293	0	293
Office Supplies and Expense	0	1,222	0	1,222
Postage	0	1,827	0	1,827
Accounting	0	6,750	0	6,750
Travel	0	1,509	0	1,509
Rent	0	10,536	0	10,536
Telephone	0	3,458	0	3,458
Equipment Lease	0	2,604	0	2,604
Repairs & Maintenance	0	119	0	119
Meeting Costs	<u>0</u>	<u>329</u>	<u>0</u>	<u>329</u>
Total: before depreciation	4,322	129,203	0	133,525
Depreciation	<u>0</u>	<u>65</u>	<u>0</u>	<u>65</u>
Total Expenses	<u>4,322</u>	<u>129,268</u>	<u>0</u>	<u>\$ 133,590</u>

The accompanying notes are an integral part of these financial statements.

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Organization:

The Greater Shreveport Human Relations Commission (the "Commission") is a non-profit corporation incorporated in the State of Louisiana on August 17, 1993. The Commission is governed by a Board of Commissioners appointed by the Mayor of Shreveport and totaling fifteen individuals. The Commission's purposes are:

To advise, consult with and assist the City of Shreveport Officials and Departments on all matters involving prejudice or discrimination.

To be available to advise, consult with, and assist the Caddo Parish Commission, the Caddo Parish School Board, and other governing entities with jurisdiction in the Greater Shreveport Metropolitan area on all matters of prejudice and discrimination.

To do everything practicable which, in the judgment of the Board of Commissioners, should be done to eliminate prejudice and the practice of discrimination against individuals or groups because of race, color, creed, national origin, ancestry, disability, age, sexual orientation, or gender in metropolitan Shreveport, and to address and mitigate frictions in human relations in the interests of the public welfare of metropolitan Shreveport.

To develop skills in cross-cultural communication and understanding in metropolitan Shreveport.

To become a human relations resource to the community at large and its institutions, and identify other resources in metropolitan Shreveport.

To enlist the cooperation of various racial, religious and ethnic groups, community and labor organizations, business and industrial groups, fraternal and benevolent associations, media and other groups in metropolitan Shreveport in the programs and purposes of The Commission.

To plan, carry out, and assist in programs of neighborhood organizations to reduce group prejudice, tensions, disorder and discrimination in said neighborhoods and assist with citizen efforts to establish local neighborhood organizations.

To provide a public forum for concerns by receiving and investigating complaints, and to direct those complaints to appropriate authorities.

To cooperate with other agencies in effectuating the amelioration of group prejudice, tension, disorder, and discrimination.

- CONTINUED -

The accompanying notes are an integral part of these financial statements.

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

Summary of Significant Accounting Policies:

The major accounting policies of The Commission are presented to assist the user in evaluating the accompanying financial Statements.

BASIS OF ACCOUNTING:

The Corporation uses the accrual method of accounting, recording revenues when earned and expenses when incurred for financial reporting purposes. The fiscal year ends December 31.

FIXED ASSETS:

Depreciation is provided on equipment using the straight-line method in amounts sufficient to write off the cost of such assets over their estimated useful lives:

	<u>Years</u>
Equipment	5-10
Furniture	5-10

Maintenance and repairs are charged against operations while renewals and betterment's are capitalized.

At the time property and equipment is retired or disposed of, applicable amounts are removed from the asset and respective allowance accounts and the resulting profit or loss is transferred to the income account or, in the case of a trade, to adjust the cost of the asset.

FUNCTIONAL EXPENSES:

Functional expenses have been allocated between Program Services and Management and General Services based on an analysis of personnel time and space utilized for the related activities.

INCOME TAX:

The Commission is exempt from Federal income taxes under Section 501(C)(3) of the Internal Revenue Code. It is also recognized as tax-exempt by the State of Louisiana. There was no unrelated business income for the period ended December 31, 2002 which was not covered by this exemption.

- CONTINUED -

The accompanying notes are an integral part of these financial statements.

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2002**

NOTE 2 - SEMINAR AND CONFERENCE COSTS:

The Commission incurred cost associated with its participation and sponsorship of various events and forums in keeping with its purpose. These expenses included Speaker fees and related travel costs, facilities use costs, catering costs, and advertising.

NOTE 3 - ECONOMIC DEPENDENCY:

The Commission is funded by a one year contract with the City of Shreveport. A significant detrimental impact on The Commission would occur should the City of Shreveport be unable or unwilling to renew The Commission's contract.

SUPPORTING DATA (OTHER FINANCIAL INFORMATION)

VAN T. ENLOE, C.P.A.
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SHREVEPORT, LA 71118
(318) 603-0400

May 19, 2003

**Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of
Financial Statements Performed in Accordance with Government Auditing Standards**

To The Greater Shreveport Human Relations Commission
Shreveport, Louisiana

I have audited the accompanying financial statements of The Greater Shreveport Human Relations Commission as of and for the year ended December 31, 2002, and have issued my report thereon dated May 19, 2003. I conducted my audits in accordance with auditing standards generally accepted in the United States and Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

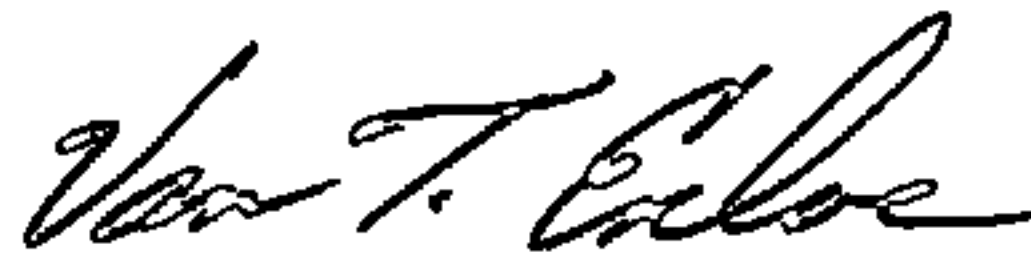
As part of obtaining reasonable assurance about whether The Greater Shreveport Human Relations Commission's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provision was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests did not disclose any instances of noncompliance that is required to be reported under Government Auditing Standards.

Internal Control over Financial Reporting

In planning and performing my audit, I considered The Greater Shreveport Human Relations Commission's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. The results of my tests did not disclose any matters involving the internal control over financial reporting and its operation that I consider to be a reportable condition. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect The Greater Shreveport Human Relations Commission's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses.

This report is intended for the information of The Greater Shreveport Human Relations Commission's management, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Van T. Enloe". The signature is fluid and cursive, with the first name "Van" and last name "Enloe" clearly distinguishable.

VAN T. ENLOE, C.P.A.
Shreveport, Louisiana
May 19, 2003

THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
DECEMBER 31, 2002

Section I - Summary of Auditor's Results

Financial Statements

Type of Auditor's report issued	Unqualified
Internal Control over financial Reporting:	
Material weakness identified	No
Reportable conditions identified not considered to be material weakness	No
Noncompliance material to financial statement noted	No

Federal Awards

Type of Auditor's report issued	Unqualified
Internal Control over financial Reporting:	
Material weakness identified	No
Reportable conditions identified not considered to be material weakness	No
Type of auditor's report issued on compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section D10(a)	No
Identification of major programs:	None

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None.

Name of contact person: Kenneth Saunders

May 19, 2003

**THE GREATER SHREVEPORT HUMAN RELATIONS COMMISSION
SCHEDULE OF RESOLUTION MATTERS
DECEMBER 31, 2002**

Prior Audit Findings:

2001-1 Record Keeping

Condition: The organization did not properly comply with their own record retention controls. The Commission should generate and maintain revenue records.

Criteria: Proper records retention is an integral part of the internal control of the Commission, failure to maintain and retain all such records could have a material impact on the operations of the Commission.

Disposition: During the current examination, all records were located.